INTERIM FINANCIAL REPORT
31 MARCH 2023

cementir holding
GRUPPO CALTAGIRONE

CORPORATE BODIES

As of the date of approval of the interim report at 31 March 2023.

Board of Directors[1] In office until approval of 2025 financial statements	*Executive Director, Chairman and CEO*	Francesco Caltagirone Jr.
	Vice Chairman[2] *and Non-Executive Director*	Alessandro Caltagirone
	Vice Chairwoman[2] *and Non-Executive Director*	Azzurra Caltagirone
	Non-Executive Directors	Saverio Caltagirone
		Fabio Corsico
		Adriana Lamberto Floristan *(independent)* *Senior Non Executive Director*[2]
		Annalisa Pescatori *(independent)*
		Benedetta Navarra *(independent)*
Audit Committee[3]	*Chairwoman*	Benedetta Navarra *(independent)*
	Members	Annalisa Pescatori *(independent)*
		Adriana Lamberto Floristan *(independent)*
Remuneration and Nomination Committee[3]	*Chairwoman*	Annalisa Pescatori *(independent)*
	Members	Benedetta Navarra *(independent)*
		Adriana Lamberto Floristan *(independent)*
Sustainability Committee[3]	*Chairman*	Francesco Caltagirone Jr.
	Members	Annalisa Pescatori (independent)
		Benedetta Navarra (*independent*)
		Adriana Lamberto Floristan *(independent)*
Auditing Company For the period 2021-2030		PricewaterhouseCoopers Accountants N.V.

[1] Appointed by resolution of the Annual General Meeting of 20 April 2023.
[2] Appointed by board resolution of 27 April 2023
[3] Established by board resolution of 27 April 2023

INTRODUCTION

This Interim Financial Report refers to the Cementir Group's consolidated financial statements as at 31 March 2023, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code.

As of April 2022, the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29-Financial Reporting in Hyperinflationary Economies".

For the purpose of preparing this Interim Financial Report and in accordance with the provisions of IAS 29, certain items on the balance sheets of investee companies in Türkiye have been re-measured by applying the general consumer price index to historical data; this makes it possible to reflect changes in the purchasing power of the Turkish Lira as of the reporting date of the investees themselves.

This report was prepared on the basis of the going concern assumption.

It is noted that this Interim Financial Report is unaudited.

GROUP PROFILE

Cementir Holding N.V. is a multinational company with registered office in the Netherlands, listed on the Euronext Star Milan segment, operating in the building materials sector and focused on four main business lines: grey cement, white cement, ready-mixed concrete and aggregates. With more than 3,000 employees, Cementir is the world leader in the niche white cement segment, the leading cement producer in Denmark and ready-mixed concrete producer in the Scandinavian region, the third in Belgium and among the leading international players in Türkiye, with two companies listed on the Istanbul Stock Exchange. In Belgium, the Group operates one of the largest aggregate quarries in Europe while in Türkiye and the United Kingdom it operates in the treatment of municipal and industrial waste, producing fuel from waste for cement plants.

Cementir pursues a strategy of sustainable growth, focusing on product leadership, the pursuit of excellence and the efficiency of operational processes. In the last two years, the Group has received notable ESG awards, including the validation of the 2030 decarbonisation targets by the Science Based Target initiative (SBTi) and an A- rating from CDP. The Group also achieved an investment grade BBB- financial rating with a stable outlook from Standard & Poor's.

Since 1992, Cementir has been part of the Caltagirone Group, one of the leading private business groups in Italy with activities in the residential construction, infrastructure, publishing, real estate and finance sectors.

GROUP PERFORMANCE

TÜRKIYE - HYPERINFLATED ECONOMY: IMPACTS OF THE APPLICATION OF IAS 29

As of April 2022, the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29-Financial Reporting in Hyperinflationary Economies".

The accounting effects of this adjustment, in addition to already being reflected in the opening balance sheet as of 1 January 2023, incorporate the changes for the period. In particular, the effect related to the re-measurement of non-monetary assets and liabilities, equity items, and income statement items recognised in 2023 was recognised in a separate income statement item under financial income and expenses. The related tax effect of non-cash assets was recognised in taxes for the period.

To take into account the impact of hyperinflation also on the local currency exchange rate, profit and loss account balances expressed in hyperinflationary currencies have been converted into euro, the Cementir

Group's presentation currency, applying the final exchange rate instead of the average exchange rate for the period, in line with IAS 21's requirement to report these amounts at current values.

The cumulative levels of the general consumer price indices are as follows:

- From January 2005 to 31 December 2022: 891%
- From January 2023 to 31 March 2023: 13%

In the first quarter of 2023, the application of IAS 29 resulted in the recognition of a net financial income (pre-tax) of EUR 2.6 million.

The main income statement items for the first quarter of 2023 are shown below:

Financial highlights with hyperinflation effect

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
REVENUE FROM SALES AND SERVICES	**414,804**	**362,302**	**14.5%**
Change in inventories	10,194	16,219	-37.1%
Increase for internal work and other income	2,841	15,281	-81.4%
TOTAL OPERATING REVENUE	**427,839**	**393,802**	**8.6%**
Raw materials costs	(196,742)	(182,802)	7.6%
Personnel costs	(51,679)	(48,802)	5.9%
Other operating costs	(98,266)	(101,526)	-3.2%
TOTAL OPERATING COSTS	**(346,687)**	**(333,130)**	**4.1%**
EBITDA	**81,152**	**60,672**	**33.8%**
EBITDA MARGIN %	*19.56%*	*16.75%*	
Amortisation, depreciation, impairment losses and provisions	(31,946)	(27,760)	15.1%
EBIT	**49,206**	**32,912**	**49.5%**
EBIT Margin %	*11.86%*	*9.08%*	
Share of net profits of equity-accounted investees	(197)	(24)	n.m.
Net financial income (expense)	14,906	9,519	56.6%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES	**14,709**	**9,495**	**54.9%**
PROFIT BEFORE TAXES FOR THE PERIOD	**63,915**	**42,407**	**50.7%**
PROFIT BEFORE TAXES/REVENUE %	*15.40%*	*11.70%*	

The consolidated income statement for the first three months of 2023 is reported below, with comparative figures provided for the same period of 2022.

These results do not include the impacts of the application of IAS 29 - Financial Reporting for Hyperinflationary Economies for Türkiye, the effects of which are reported in the previous section. This representation allows a better comparison of the Group's performance compared to the same period of the previous year. The 2023 data below are considered “non-GAAP” measures.

Financial highlights without hyperinflation effect

(EUR'000)	1st Quarter 2023 (Non-GAAP)	1st Quarter 2022	Change %
REVENUE FROM SALES AND SERVICES	**413,780**	**362,302**	**14.2%**
Change in inventories	11,140	16,219	-31.3%
Increase for internal work and other income	3,228	15,281	-78.9%
TOTAL OPERATING REVENUE	**428,148**	**393,802**	**8.7%**
Raw materials costs	(192,863)	(182,802)	5.5%
Personnel costs	(51,616)	(48,802)	5.8%
Other operating costs	(98,049)	(101,526)	-3.4%
TOTAL OPERATING COSTS	**(342,528)**	**(333,130)**	**2.8%**
EBITDA	**85,620**	**60,672**	**41.1%**
EBITDA MARGIN %	*20.69%*	*16.75%*	
Amortisation, depreciation, impairment losses and provisions	(29,455)	(27,760)	6.1%
EBIT	**56,165**	**32,912**	**70.7%**
EBIT Margin %	*13.57%*	*9.08%*	
Share of net profits of equity-accounted investees	(197)	(24)	n.m.
Net financial income (expense)	12,357	9,519	29.8%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES	**12,160**	**9,495**	**28.1%**
PROFIT BEFORE TAXES FOR THE PERIOD	**68,325**	**42,407**	**61.1%**
PROFIT BEFORE TAXES/REVENUE %	*16.51%*	*11.70%*	

Sales volumes

('000)	1st Quarter 2023	1st Quarter 2022	Change %
Grey, White cement and Clinker (metric tons)	2,336	2,435	-4.0%
Ready-mixed concrete (m^3)	1,018	1,128	-9.7%
Aggregates (metric tons)	2,195	2,679	-18.1%

Group employees

	31-03-2023	31-12-2022	31-03-2022
Number of employees	3,103	3,085	3,142

In the first three months of 2023, cement and clinker **volumes** sold, equal to 2.3 million tonnes, decreased by 4% compared to the same period of 2022. The decline is attributable to the slowdown in the market, mainly in Denmark, Belgium and the United States, despite the increase recorded in Türkiye.

Sales volumes of ready-mixed concrete, equal to about 1 million cubic metres, have fallen by 9.7% due to the negative trend in all areas with the exception of Türkiye.

In the aggregates sector, sales volumes amounted to 2.1 million tonnes, down 18.1% due to the decrease in Belgium, Sweden, Denmark and Türkiye.

Group revenue from sales and services reached EUR 413.8 million, up 14.2% compared to EUR 362.3 million in the first quarter of 2022. The increase in revenue is mainly due to price increases, offsetting higher costs for fuel, electricity, raw materials, transport and services. It should be noted that at constant 2022 exchange rates, revenues would have amounted to EUR 445.5 million, 23.0% up on the same period last year.

At EUR 342.5 million, **operating costs** increased by 2.8% compared to EUR 333.1 million in the first quarter of 2022.

The **cost of raw materials**, equal to EUR 192.9 million, increased by 5.5% compared to EUR 182.8 million in the first quarter of 2022, as a result of the generalised increase in the price of energy sources on international markets.

At EUR 51.6 million, **personnel costs** increased by 5.8% compared to EUR 48.8 million for the same period in 2022.

Other operating costs, equal to EUR 98.0 million, fell by 3.4% compared to EUR 101.5 million in the first quarter of 2022.

EBITDA amounted to EUR 85.6 million, an increase of 41.1% compared to EUR 60.7 million in the first quarter of 2022 following the best results achieved in the Nordic & Baltic area, Türkiye, Belgium and Egypt, while the United States and Asia Pacific saw a contraction in results.

The EBITDA margin was 20.7%, compared to 16.7% in the first quarter of 2022.

At constant 2022 exchange rates, EBITDA would have amounted to EUR 90.9 million, up 49.8% year-on-year.

EBIT, taking into account depreciation, amortisation, write-downs and provisions of EUR 29.5 million (EUR 27.8 million in the first quarter of 2022), amounted to EUR 56.2 million compared to EUR 32.9 million in the same period of the previous year. Amortisation, depreciation, impairment losses and provisions include amortisation and depreciation due to the application of IFRS 16 of EUR 7.9 million (EUR 7.1 million in the same period of 2022).

At constant 2022 exchange rates, the EBIT would have amounted to EUR 60.4 million.

The **share of net profits of equity-accounted investees** is negative by EUR 0.2 million (marginally negative in the first quarter of 2022).

Net financial income of EUR 12.4 million (income of EUR 9.5 million in the same period of the previous year), comprises net financial expenses of EUR 2.1 million (EUR 1.3 million in the same period of 2022), net foreign exchange income of EUR 13.6 million (net foreign exchange income of EUR 10.9 million in the same period of 2022) and the effect of the valuation of derivatives.

Profit before taxes was EUR 68.3 million, an increase of 61.1% on EUR 42.4 million in the first quarter of 2022.

Financial highlights

(EUR'000)	31-03-2023	31-03-2023 (Non-GAAP)*	31-12-2022	31-03-2022
Net capital employed	1,583,141	1,383,144	1,427,272	1,353,172
Total equity	1,551,073	1,351,076	1,522,773	1,264,540
Net financial debt[1]	32,068	32,068	-95,501	88,632

* These values are non-GAAP

Net financial debt at 31 March 2023 was EUR 32.1 million, a reduction of EUR 56.6 million compared to EUR 88.6 million on 31 March 2022, and includes the distribution of dividends of EUR 28.0 million in May 2022. These amounts include EUR 82.5 million due to the application of IFRS 16 (EUR 75.3 million at 31 March 2022).

The negative change compared to net cash of EUR 95.5 million as at 31 December 2022 is due to the seasonality of the business in the first quarter, also due to the annual maintenance cycle, and to working capital dynamics.

Total equity as at 31 March 2023 amounted to EUR 1,551.1 million (EUR 1,522.8 million as at 31 December 2022).

FINANCIAL INDICATORS

The following table provides the most significant indicators for a brief assessment of the performance and financial position of the Cementir Holding Group. Return on Equity and Return on Capital Employed allows for a rapid understanding of the operational performance of the Group. The other Financial Indicators highlight the ability of the company to meet its financial obligations.

Performance indicators	31-03-2023	31-03-2023 (Non-GAAP)	31-12-2022	31-03-2022	Composition
Return on Equity	12.5%	15.8%	11.9%	11.3%	Profit from continuing operations/Equity
Return on Capital Employed	13.9%	18.6%	14.3%	15.5%	EBIT /(Equity + Net financial debt)

Financial indicators	31-03-2023	31-03-2023 (Non-GAAP)	31-12-2022	31-03-2022	Composition
Equity Ratio	62.5%	60.1%	60.3%	57.9%	Adjusted Equity/Total Assets
Net Gearing Ratio	2.1%	2.4%	-6.4%	7.0%	Net financial debt/ Adjusted Equity
Liquidity Ratio	0.97	0.97	1.01	0.92	Cash + Receivables / Current Liabilities
Cash Flow	0.95	0.95	1.11	0.76	Operating Cash Flow / Total Financial Debt
Finance Needs	32.1	32.1	-95.5	88.6	Net Financial Debt

The financial indicators are improving compared to the same period of 2022.

[1] Net Financial Debt is determined in accordance with the provisions of CONSOB Communication No. DEM/6064293 of 28 July 2006.

PERFORMANCE BY GEOGRAPHICAL SEGMENT

The data reported in the Türkiye paragraph do not include the impact of the application of IAS 29 - Accounting for hyperinflated economies for Türkiye, the effects of which are reported in the section "Türkiye - Hyperinflated Economy: impacts of the application of IAS 29."

Nordic and Baltic

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
Revenue from sales	164,129	162,000	1.3%
Denmark	*123,472*	*109,048*	*13.2%*
Norway / Sweden	*40,573*	*50,683*	*-19.9%*
Other (1)	*17,178*	*15,503*	*10.8%*
Eliminations	*(17,094)*	*(13,234)*	
EBITDA	41,368	28,840	43.4%
Denmark	*39,729*	*24,561*	*61.8%*
Norway / Sweden	*667*	*4,163*	*-84.0%*
Other (1)	*972*	*116*	*n.m.*
EBITDA Margin %	*25.2%*	17.8%	
Investments	22,281	10,809	

(1) Iceland, Poland and white cement operating activities in Belgium and France

Denmark

In the first quarter of 2023, sales revenues reached EUR 123.5 million, an increase of 13.2% compared to EUR 109 million in the first quarter of 2022.

The volumes of cement on the domestic market, both grey and white, were lower than in 2022, influenced by a generalised slowdown in demand and by unfavourable weather conditions. High inflation and the increase in interest rates adversely affected the residential sector and investments in public works.

Exports also declined due to lower deliveries to Germany, Poland and France, partially offset by higher deliveries to Norway and the Faroe Islands.

In Denmark, both ready-mixed concrete and aggregate volumes decreased compared to the corresponding quarter of 2022 due to weak demand, a colder winter and the temporary closure of a quarry, which only reopened in March 2023.

Thanks to careful management of energy costs and sales prices, EBITDA in the first quarter of 2022 amounted to EUR 39.7 million (EUR 24.6 million in 2022), up 61.8%, with profitability returning to pre-Covid average levels.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes decreased compared to the same period last year due to the slowdown in residential and commercial demand, adverse weather conditions and the delayed start-up of some major infrastructure projects.

It should be noted that the Norwegian krone depreciated by 10.7% against the average euro exchange rate in the same quarter of 2022.

In **Sweden**, the volumes of ready-mixed concrete and aggregates decreased significantly compared to the previous year, due to the general decline in demand mainly caused by the impact of higher interest rates on the residential market.

The Swedish krona depreciated by 6.9% against the average euro exchange rate in the first quarter of 2022.

In the first quarter of 2023, sales revenue in Norway and Sweden decreased by 19.9% to EUR 40.6 million compared to EUR 50.7 million in the first quarter of 2022, while EBITDA decreased by 84% to EUR 0.7 million (EUR 4.2 million in the same period of 2022). The decrease in EBITDA in both Norway and Sweden was mainly due to lower sales volumes and higher production costs.

Belgium

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
Revenue from sales	90,582	76,076	19.1%
EBITDA	21,208	15,967	32.8%
EBITDA Margin %	23.4%	21.0%	
Investments	8,364	2,476	

In the first quarter of 2023, cement sales volumes in Belgium and the Netherlands decreased compared to 2022, while they remained stable in France. The contraction in demand is due to both adverse weather conditions and a slowdown in construction activity linked to a more restrictive monetary policy, resulting in reduced demand for mortgages and real estate financing.

For the same reasons, both ready-mixed concrete and aggregate sales volumes in Belgium and France decreased year-on-year, with a more significant drop in France due to the completion of some major projects at the end of 2022.

Overall, in the first quarter of 2023, sales revenue grew by 19.1% to EUR 90.6 million compared to EUR 76.1 million in the same period of 2022, and EBITDA increased by 32.8% to EUR 21.2 million, compared to EUR 16 million in the previous year.

EBITDA benefited from careful management of energy costs and sales prices.

North America

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
Revenue from sales	45,833	44,620	2.7%
EBITDA	5,657	6,894	-17.9%
EBITDA Margin %	12.3%	15.4%	
Investments	910	3,444	

In the US, white cement sales volumes contracted in line with the trend in the residential sector, which is the main market, with sales in Texas and California contracting more sharply due to competitive pressures from imports.

The dollar appreciated by 4.4% against the average euro exchange rate in the first quarter of 2022.

Overall in the US, revenues increased by 2.7% to EUR 45.8 million (EUR 44.6 million in the first quarter of 2022) while EBITDA decreased by 17.9% to EUR 5.7 million (EUR 6.9 million in the first quarter of 2022), due to lower white cement sales volumes and higher variable costs. The company Vianini Pipe, active in the production of cement products, reported an EBITDA in line with the previous year.

Türkiye

(EUR'000)	1st Quarter 2023 (Non-GAAP)	1st Quarter 2022	Change %
Revenue from sales	75,248	41,360	81.9%
EBITDA	7,769	1,632	375.9%
EBITDA Margin %	10.3%	3.9%	
Investments	6,615	5,145	

Revenues of EUR 75.3 million increased by 81.9% compared to the first three months of 2022 (EUR 41.4 million), despite the devaluation of the Turkish lira against the euro of 29.3% compared to the average exchange rate for the first quarter of 2022.

Cement sales volumes in the domestic market increased significantly in both the Trakya and Izmir regions, while lower deliveries were seen in Elazig and Kars in Eastern Anatolia. Numerous projects in the municipality of Istanbul and in the Aegean region related both to government policies, in view of the upcoming presidential elections and investments in tourist facilities and residential renovations, the latter also in response to the catastrophic earthquake of February 2023. In Eastern Anatolia, the contraction can be attributed to the end of infrastructure projects related to the reconstruction after the earthquake of January 2020 and to the fact that many contractors have shifted a large part of their operations to the earthquake-affected areas.

Cement and clinker exports, on the other hand, declined due to the choice to focus on the domestic market, with greater profitability.

Ready-mixed concrete volumes also increased compared to the first quarter of 2022, in line with the growth of the Aegean Region, where most of the plants are concentrated.

In the waste sector, the industrial waste treatment subsidiary Sureko recorded 70% higher revenues in local currency than in 2022, due to increased prices of fuel sales (RDF), fuel material collection, trading and landfill quantities.

Overall, the region's EBITDA reached EUR 7.8 million, a significant improvement over the previous year (EUR 1.6 million), thanks to higher sales prices, despite higher costs for raw materials, fuel and electricity, and higher fixed costs due to inflation, plus the devaluation of the Turkish lira.

Egypt

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
Revenue from sales	12,487	14,316	-12.8%
EBITDA	3,385	2,527	34.0%
EBITDA Margin %	27.1%	17.7%	
Investments	323	335	

Sales revenue decreased by 12.8% to EUR 12.5 million (EUR 14.3 million in the first quarter of 2022), mainly due to the devaluation of the Egyptian pound (-79%), compared to the average euro exchange rate in the first quarter of 2022. Revenues in local currency actually increased by 56%.

Sales volumes of white cement decreased moderately, with an increase in domestic deliveries offset by a steeper drop in exports.

EBITDA increased by 34% to EUR 3.4 million (EUR 2.5 million in the first quarter of 2022), thanks to careful management of production costs and sales prices, despite the significant devaluation of the Egyptian pound against the euro.

Asia Pacific

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
Revenue from sales	24,118	25,337	-4.8%
China	*12,577*	*13,386*	*-6.0%*
Malaysia	*11,545*	*11,951*	*-3.4%*
Eliminations	*(4)*	-	
EBITDA	3,630	4,281	-15.2%
China	*2,024*	*2,937*	*-31.1%*
Malaysia	*1,606*	*1,344*	*19.5%*
EBITDA Margin %	*15.1%*	*16.9%*	
Investments	2,375	2,117	

China

Sales revenue decreased by 6% to EUR 12.6 million (EUR 13.4 million in the first quarter of 2022) despite sales volumes increasing by 3% due to lower sales prices compared to the first quarter of 2022. Until January 2023, the market was affected by the restrictive measures to limit the spread of Covid-19, and only since February, after the slowdown during the Chinese New Year, have sales resumed steadily.

EBITDA decreased by 31.1% to EUR 2 million (EUR 2.9 million in the same period of 2022), due to the decrease in sales prices and higher production costs only partially offset by higher sales volumes.

The Chinese Renminbi depreciated by 3.1% against the average euro exchange rate in the first quarter of 2022.

Malaysia

Sales revenue decreased by 3.4% to EUR 11.5 million (EUR 12 million in the corresponding period of 2022) due to the significant drop in clinker exports, mainly related to a different scheduling of sea shipments compared to the first quarter of 2022 and, partly, lower cement deliveries to Cambodia and Myanmar.

Sales volumes on the local market, on the other hand, increased significantly due to the good recovery of the construction market in the first quarter.

EBITDA reached EUR 1.6 million, up 19.5% from EUR 1.3 million in the corresponding quarter of 2022. Higher average selling prices and lower freight costs on exports are only partially offset by higher variable production costs and lower volumes sold.

The local currency is in line with the average exchange rate of the euro in the corresponding quarter of 2022.

Holding and Services

(EUR'000)	1st Quarter 2023	1st Quarter 2022	Change %
Revenue from sales	66,650	48,200	38.3%
EBITDA	2,604	531	390.3%
EBITDA Margin %	3.9%	1.1%	
Investments	788	10,477	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The increase in revenue and EBITDA is attributable to the higher volumes traded, particularly of clinker, white cement and fuels by Spartan Hive.

INVESTMENTS

During the first quarter of 2023, the Group made total investments of approximately EUR 41.7 million (EUR 24.9 million in the first quarter of 2022), of which approximately EUR 18.8 million (EUR 7.0 million in the first quarter of 2022) in connection with the application of IFRS 16.

Investments included EUR 31.1 million in the cement sector, EUR 7.8 million in ready-mixed concrete, EUR 1.8 million in aggregates and EUR 1 million for other business sectors.

KEY EVENTS DURING THE QUARTER

On 8 February 2023, the Parent Company's Board of Directors approved the update of the 2023-2025 Industrial Plan. Please refer to the relevant press release available con the company website www.cementirholdidng.com under the Investors, Press Releases section.

The Plan envisages the achievement of the following targets in 2025, which exclude the impact of IAS 29 and non-recurring items:

- **Revenue to reach EUR 2 billion**, with an annual average growth rate (CAGR) of 5-6%. Over the Plan horizon, sales volumes of cement, ready-mixed concrete and aggregates are expected to increase moderately from 2024 onwards in all regions; the Asia-Pacific region is expected to recover volumes as early as 2023. The increase in prices, especially in the cement sector, will offset the significant increase in energy, raw material and logistics costs.
- **EBITDA to reach around EUR 400 million**, with an annual average growth rate (CAGR) of 6%. EBITDA is expected to grow in all geographical areas. Plan assumptions include a double-digit increase in fuel and electricity costs and an average annual CO_2 deficit of around 300,000 tons.
- **Average annual capex of approximately EUR 81 million** directed towards developing production capacity, maintaining plant efficiency, health and safety and digitisation.
- Additional **cumulative sustainability capex of EUR 86 million** for projects that will reduce CO2 emissions in line with Group targets.
- **Net Cash Position of over EUR 500 million by 2025** deriving from growing results and strong cash generation.

Finally, the Plan assumes the distribution of a growing dividend, corresponding to a payout ratio between 20% and 25%.

With reference to the Russian-Ukrainian conflict, the directors have not identified any significant direct impacts on the Group and the financial statements, in light of the Group's substantial lack of activities in these areas and dealings with them.

OTHER INFORMATION

ALTERNATIVE PERFORMANCE INDICATORS

The Cementir Holding Group used some alternative performance indicators to enable a better assessment of the performance of economic management and the capital and financial situation. In line with that established in the ESMA/2015/1415 guidelines, the meaning and contents of those indicators are noted below.

- EBITDA: is an indicator of operating performance calculated by adding together “EBIT” and “Amortisation, depreciation, impairment losses and provisions”;
- Net financial debt: is an indicator of financial structure calculated according to Consob Communication No. 6064293/2006, as the sum of the items:
  - Current financial assets;
  - Cash and cash equivalents;
  - Current and non-current financial liabilities.
- Net capital employed: is calculated as the total amount of non-financial assets, net of non-financial liabilities.

RELATED-PARTY TRANSACTIONS

With regard to related-party transactions, as defined by IAS 24, the Group did not conduct any atypical and/or unusual transactions. All business and financial dealings with related parties were conducted on terms equivalent to those that prevail in arm’s length transactions.

The Group did not conduct any significant or material transactions concerning related-party transactions.

TREASURY SHARES

The number of treasury shares held following the completion of the share buy-back programme (the “Programme”) in October 2021 has not changed.

It should be noted that under the Programme, between 15 October 2020 and 12 October 2021 (ends included), 3,600,000 treasury shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. at a weighted average price of EUR 8.1432 per share and for a total outlay of EUR 29,315 thousand.

MANAGEMENT AND COORDINATION

Cementir Holding NV sets its general and operational strategies independently. In particular, the Board of Directors of Cementir Holding NV has sole responsibility for reviewing and approving strategic, commercial and financial plans, and for overseeing the adequacy of organisational, administrative and accounting structures.

PERSONAL DATA PROTECTION

The Parent Company ensures the protection of personal data in accordance with current laws. The Company has adopted internal regulations and the relevant operational tools needed to ensure regulatory compliance at the date of entry into force of EU regulation 679/2016. In order to ensure full compliance with the legislation and review the system created also in light of Legislative Decree 101 of 10 August 2018, which came into force on 19 September 2018, Cementir Holding has an ongoing project to constantly update and refine its privacy policy.

LITIGATION

The Company is responsible for leading the defence in proceedings, of which it is not a party in accordance with the terms and conditions set out in a settlement agreement with Italcementi S.p.A., relating to the sale of the shares of Cementir Italia S.p.A. (today Cemitaly S.p.A.), Cementir Sacci S.p.A. (today Italsacci S.p.A.) and Betontir S.p.A., finalised on 2 January 2018.

The main proceedings, relating to events in which the Company may be abstractly subject to compensation obligations based on the aforementioned settlement agreement, in relation to events prior to the transfer, are noted below.

Antitrust proceedings

On 7 August 2017, upon completion of an investigation, the Italian Competition Authority ("Authority") found there to have been an agreement aimed at coordinating cement selling prices across the entire country and imposed an administrative fine on the producers involved, including Cemitaly. The Company paid Cemitaly the sum of EUR 5,118,076 as compensation, to extinguish the fine and the interest accrued.

Other legal disputes

An administrative dispute is pending before the Court of Appeal in Türkiye, brought by the Turkish company Cimentas AS, indirect subsidiary of Cementir Holding. The dispute relates to the order issued by the Turkish stock exchange's regulatory and supervisory body (Capital Market Board – CMB), requiring Cimentas AS to demand back from the concerned Cementir Group companies around 100 million Turkish Lira (now equal to around EUR 5 million) by way of hidden profit distribution, allegedly generated by an intragroup company sale in 2009. On 29 January 2017, CMB served a summons to Cementir Holding to appear before the Court of Izmir, requesting that the company be ordered to pay to Cimentas AS an amount provisionally set at approximately 1 million Turkish lira. The Company duly appeared in court, arguing the total lack of foundation of the plaintiff's argument and requested that the civil proceedings be suspended until the administrative proceeding is finally settled. With a ruling of 1 July 2020, the Court of Appeal in Türkiye declared lack of jurisdiction in relation to the case in question. That judgment was overturned on 18 October 2021 by the Supreme Court, which definitively affirmed the existence of Turkish jurisdiction. The judgment on the substantive case is still pending.

SUBSEQUENT EVENTS AFTER THE REPORTING DATE

No other significant facts occurred after the quarter ended.

MANAGEMENT OPERATING OUTLOOK

In light of the first quarter results of the year, the objectives declared on 8 February 2023 are confirmed, i.e. to achieve consolidated revenues of over EUR 1.8 billion (EUR 1.7 billion in 2022), a substantially stable EBITDA compared to 2022 of EUR 335-345 million and to continue to generate significant cash flow, reaching a net cash position of over EUR 200 million at the end of the period. Planned investments are expected to be EUR 113 million (EUR 97 million in 2022), of which about EUR 28 million in sustainability projects. Research and development expenditure is expected to remain stable compared to 2022, as well as the average number of employees. The Group does not envisage the need for new external financing, given the cash generation and net cash position expected by the end of the year.

These forward-looking indications do not include: i) the impacts of the application of IAS 29; ii) any non-recurring items; iii) the possible worsening of the geopolitical situation in the coming months.

The foregoing solely reflects the views of the company's management, and does not constitute a guarantee, promise, operational suggestion or even investment advice. Therefore, it should not be taken as a forecast on future market trends and of any financial instruments concerned.

Rome, 9 May 2023

Chairman of the Board of Directors

Signed: Francesco Caltagirone Jr.